

Washington, DC - Congressman Earl Blumenauer (D-Ore) today released new information about how Oregon will benefit from health reform, specifically through the Medicare geographic variation adjustments he helped negotiate. These payments will address geographic disparities and reward Oregon hospitals that provide high quality health care at a lower cost.

"Since joining the Ways and Means Committee three years ago, I have been fighting to address payment inequities within the Medicare program that penalize states like Oregon for providing high quality care at lower costs," **said Rep. Blumenauer.** "Today we're seeing a concrete example of how health reform is improving care for all Oregonians. The \$8.9 million dollars next year, and potentially \$14.9 million the following year, will enable Oregon hospitals to continue to improve quality, access, and treatment."

Background

The negotiations led by Rep. Blumenauer and other members of the Oregon delegation were over regional differences in Medicare spending. Medicare beneficiaries living in high cost health care regions, such as Miami, Las Vegas, New York and Houston receive approximately 60% more services than those living in low-spending regions. Despite the extra services, they do not have higher quality of care or better healthcare outcomes.

For too long, the federal government has rewarded health care inefficiencies, which is wasteful and requires taxpayers in more efficient, low-cost regions - such as Oregon, Washington, Wisconsin, and Minnesota - to subsidize expensive and unnecessary costs in high cost regions.

As a direct result of the delegation's efforts, these low-cost regions are now being rewarded through the health care reform bill. Center for Medicare and Medicaid Services (CMS) recently released their proposed rule outlining how the \$400 million of additional payments will be distributed to hospitals in counties that rank in the lowest quartile of Medicare spending. Here is a summary:

Hospital Name

County

Congressional District

FY2011 (\$150 mil)

Potential FY2012 (\$250 mil)

Potential Total

Legacy Good Samaritan Hospital

MULTNOMAH

1st

\$675,000

\$1,125,000

\$1,800,000

OHSU Hospital

MULTNOMAH

1st

\$1,815,000

\$3,025,000

\$4,840,000

Providence St. Vincent Medical Center

WASHINGTON

1st

\$1,005,000

\$1,675,000

\$2,680,000

Tuality Community Hospital

WASHINGTON

1st

\$195,000

\$325,000

\$520,000

Central Oregon Community

DESCHUTES

2nd

\$150,000

\$250,000

\$400,000

Holy Rosary Medical Center

MALHEUR

2nd

\$150,000

\$250,000

\$400,000

Sky Lakes Medical Center

KLAMATH

2nd

\$345,000

\$575,000

\$920,000

Mid-Columbia Medical Center

WASCO

2nd

\$120,000

\$200,000

\$320,000

St. Charles Medical Center

DESCHUTES

2nd

\$825,000

\$1,375,000

\$2,200,000

Adventist Medical Center

MULTNOMAH

3rd

\$315,000

\$525,000

\$840,000

Kaiser Sunnyside Medical Center

CLACKAMAS

3rd

\$15,000

\$25,000

\$40,000

Legacy Emanuel Hospital

MULTNOMAH

3rd

\$510,000

\$850,000

\$1,360,000

Legacy Mt. Hood Medical Center

MULTNOMAH

3rd

\$165,000

\$275,000

\$440,000

Providence Milwaukie Hospital

CLACKAMAS

3rd

\$90,000

\$150,000

\$240,000

Providence Portland Medical Center

MULTNOMAH

3rd

\$825,000

\$1,375,000

\$2,200,000

Good Samaritan Medical Center

BENTON

5th

\$450,000

\$750,000

\$1,200,000

Legacy Meridian Park Hospital

CLACKAMAS

5th

\$315,000

\$525,000

\$840,000

Salem Hospital

MARION

5th

\$840,000

\$1,400,000

\$2,240,000

Santiam Memorial Hospital

MARION

5th

\$30,000

\$50,000

\$80,000

Silverton Hospital

MARION

5th

\$60,000

\$100,000

\$160,000

Willamette Falls Hospital

CLACKAMAS

5th

\$90,000

\$150,000

\$240,000

TOTALS

\$8,985,000

\$14,975,000

\$23,960,000